

## *Economic Development Strategy*

December 9, 2008





## CITY OF MARICOPA, AZ.

*Economic Development Strategy*

- Maricopa's promise:

"The City of Maricopa is a family-oriented, vibrant community for residents and businesses seeking careful growth, environmental awareness, and a high quality of life."







## CITY OF MARICOPA, AZ.

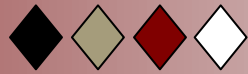
*Economic Development Strategy*

### CORE VALUES OF MARICOPANS:

- Sustainability in community, economy and environment;
- Educational excellence;
- Family and community-oriented;
- Safe neighborhoods;
- Diverse employment;
- Balance between housing and jobs;
- Honor Maricopa's history and old town values while embracing growth.







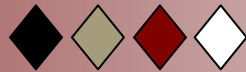
## CITY OF MARICOPA, AZ.

*Economic Development Strategy*

- Economic development is mission critical to the realization of Maricopa's promise.







## CITY OF MARICOPA, AZ.

### *Economic Development Strategy*

- Drivers of Growth have Transformed:

19 <sup>th</sup> Century:	Agriculture and Mineral Extraction - Natural Resources Propelled Wealth
20 <sup>th</sup> Century:	Mass-Production Manufacturing - Machinery and Financial Capital
21 <sup>st</sup> Century:	Intellectual Capital - Talented People

Talent is Key to the Competitiveness of  
America's Cities, Regions, States







## CITY OF MARICOPA, AZ.

### *Economic Development Strategy*

OLD ECONOMY PRINCIPLES In the old economy, people believed that:	NEW ECONOMY REALITIES In the new economy, people believe that:
Being a cheap place to do business was the key to economic development success.	Being a place rich in ideas and talent is the key to success in the globalized world.
Attracting companies was the key.	Attracting educated people is a key.
A high-quality physical environment was a luxury that stood in the way of attracting cost conscious businesses.	Physical and cultural amenities are key in attracting knowledge workers.
Regions won because they held a fixed competitive advantage in some resource or skill.	Regions prosper if organizations and individuals have the ability to learn and adapt.
Economic development was government-led.	Only bold partnerships among business, government, and nonprofit sector can bring about change.

Source: Metropolitan New Economy Index, Progressive Policy Institute, Washington, D.C.





## CITY OF MARICOPA, AZ.

### *Economic Development Strategy*

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- Maricopa's economic development strategy is designed to:
  - Create a diverse economy is sustainable and self-generating over the long-term;
  - Build economic pillars that support major, high growth and high value-added economic activity which also spawn additional, high multiplier economic benefits;
  - Foster competitive, 21<sup>st</sup> century opportunities for entrepreneurship and innovation in business enterprise and new technologies;
  - Provide a foundation to support the continued prosperity of Maricopa's highly educated population.





## CITY OF MARICOPA, AZ.

*Economic Development Strategy*

*MEGATRENDS DRIVE HOW MARICOPA, GREATER PHOENIX &  
THE STATE OF ARIZONA DEVELOP*

### GLOBALIZATION AND GLOBAL DISCONTINUITY





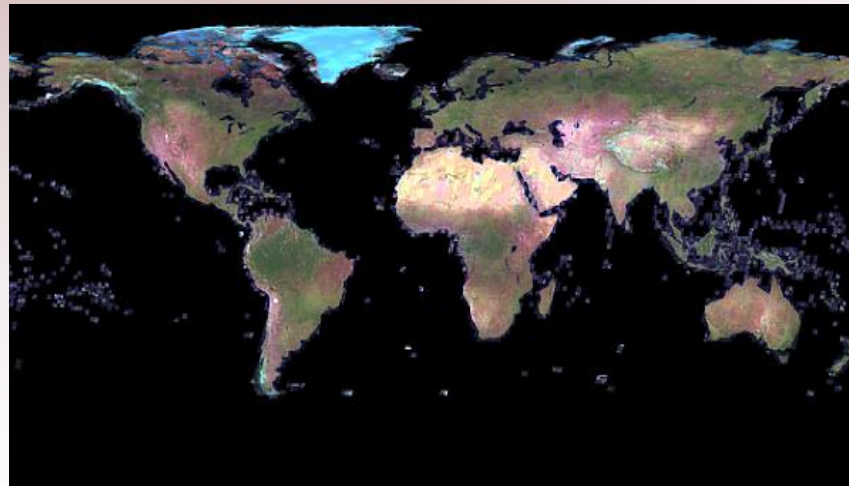


## CITY OF MARICOPA, AZ.

### *Economic Development Strategy*

#### ***MEGATRENDS DRIVE HOW MARICOPA, GREATER PHOENIX & THE STATE OF ARIZONA DEVELOP IN THE 21ST CENTURY***

- Today, the pervasiveness of globalization is clearly evident. Globalization has irrevocably altered the formation, location and growth decisions and patterns of job creation.
- The City of Maricopa must compete effectively in our fully integrated globalized economy.







## CITY OF MARICOPA, AZ.

*Economic Development Strategy*

### ***MEGATRENDS DRIVE HOW MARICOPA, GREATER PHOENIX & THE STATE OF ARIZONA DEVELOP IN THE 21<sup>ST</sup> CENTURY***

- Total global integration of companies - companies are increasing their geographical footprint - a structural shift in global business as companies seek opportunities everywhere - resulting in new investment opportunities for countries or areas previously “off the radar”.







## CITY OF MARICOPA, AZ.

### *Economic Development Strategy*

#### ***MEGATRENDS DRIVE HOW MARICOPA, GREATER PHOENIX & THE STATE OF ARIZONA DEVELOP IN THE 21ST CENTURY***

- Because of present world economic turmoil and intensified competition, state and local incentives are far more important than in previous years;
- 2007 Area Development Annual Survey: State and local incentives ranked #4 in top factors most important to business locations and expansions. Three of the top five decision factors directly relate to operating costs overall, whether domestic or international in scope.







## CITY OF MARICOPA, AZ.

### *Economic Development Strategy*

### ***MEGATRENDS DRIVE HOW MARICOPA, GREATER PHOENIX & THE STATE OF ARIZONA DEVELOP IN THE 21ST CENTURY***

#### **Outlook for Business Locations and Expansions**

According to Nigel Gault, chief domestic economic for HIS Global Insight, "We are caught in a downward spiral in which employment, incomes and spending are collapsing together. With private spending frozen, we have no choice but to rely on a stimulus package to revive the economy."







## CITY OF MARICOPA, AZ.

### *Economic Development Strategy*

#### ***MEGATRENDS DRIVE HOW MARICOPA, GREATER PHOENIX & THE STATE OF ARIZONA DEVELOP IN THE 21ST CENTURY***

##### **Outlook for Business Locations and Expansions**

- Unpredictability and instability - the two deadly cancers for healthy economies, are at an all time high;
- Global recession, regardless of its severity, will lead to rise in unemployment and business failures;
- Companies will need to do more with less and work even harder to keep top talent;
- Change in all that we know will come faster, bigger, more illuminating and more disruptive than ever before.





## CITY OF MARICOPA, AZ.

### *Economic Development Strategy*

#### ***MEGATRENDS DRIVE HOW MARICOPA, GREATER PHOENIX & THE STATE OF ARIZONA DEVELOP IN THE 21ST CENTURY***

#### **Keys to Success in Attracting New Private Capital Investment and Employers:**

- Credibility and Confidentiality - We need to deliver on what we commit to and maintain the strictest of confidentiality;
- Due Diligence - America is built on great ideas and business plans - it is imperative that the City conduct the utmost due diligence on business plans and proposals;
- Fairness - Every business is treated fairly; if their plans do not meet requisite standards of financial and economic performance, the feasibility of their projects is reasonably questioned;
- Equity - Development agreements and any incentives are extended on an equitable basis commensurate with the benefits of the project.





## CITY OF MARICOPA, AZ.

*Economic Development Strategy*

### Top Factors for Business Location Decision Making

1. Quest for the Best Talent: Knowledge Workers Still Reign Supreme



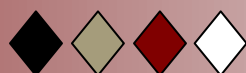




**Top Factors for Business Location Decision Making**

2. Highway Accessibility;
3. Energy Availability and Cost;
4. Operating Cost Environment and Incentives;
5. Availability of Buildings;
  - Availability of Land;
  - Low Union Profile;
  - Corporate Tax Rates;
  - Quality of Life;
16. Rapid Development and Permit Processing.



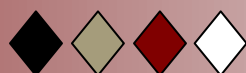


## TOP ECONOMIC DEVELOPMENT DEALS 2008

COMPANY	PROJECT	LOCATION	INCENTIVES	CAPITAL INVESTMENT / NUMBER OF JOBS
Volkswagen, AG	North American Manufacturing Plant	Chattanooga, TN	\$577 million total package	\$1 billion 2,000 new jobs
Momentive Performance Materials	New Headquarters and Technology Center	Rensselaer County, NY	\$160 million total package direct incentives and tax abatements	\$81 Million initially w/commitments of additional \$150 million 150 new jobs
Areva	Uranium Enrichment Facility	Bonneville County, ID	\$400 million total package	\$2 billion 200 new jobs; 1,000 construction only

Sources: Company Websites, \*Site Selection Online, monthly impact reports 1/08-11/08, Reuters, American City Business Journals, The Oregonian





## TOP ECONOMIC DEVELOPMENT DEALS 2008 (Continued)

COMPANY	PROJECT	LOCATION	INCENTIVES	CAPITAL INVESTMENT / NUMBER OF JOBS
Sanyo Electronics	Solar Manufacturing Plant	Salem, OR	\$41 million; includes \$40 million renewable energy tax credits and \$1 million for infrastructure improvements	\$80 million; 200 new jobs
Advanced Micro Devices	New Chip Fab	Malta, NY	\$1.2 billion total package includes tax credits and cash	\$4.6 billion; 1,465 new jobs

Sources: Company Websites, Site Selection Online, monthly impact reports 1/08-11/08, Reuters, American City Business Journals, The Oregonian





## **CITY OF MARICOPA, AZ.**

*Economic Development Strategy*

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### **UNPARALLELED OPPORTUNITIES FOR MARICOPA**

- Creation of the 21<sup>st</sup> Century Sustainable American City;
- Location of 21st Century Knowledge Economy Jobs, Firms, Technologies and Lifestyles;
- Development of Diverse and Competitive Economy that is More Resilient to Vagaries of Arizona's Real Estate Economy and that Generates High Value Added Jobs and Durable Competitive Advantage in the Global Economy.





## CITY OF MARICOPA, AZ.

*Economic Development Assets*

- Bold Vision for Maricopa's Future
- Committed Mayor and Council
- Highly Qualified City Manager and Management Team
- Resident Workforce that is Highly Educated and Skilled
- Aggressive Economic Development Program
- Superb Strategic Partners
  - Arizona Department of Commerce
  - Greater Phoenix Economic Council
  - Maricopa Chamber of Commerce
- Significant Positive Image and Recognition Among Regional and State Public Sector and Media





## **CITY OF MARICOPA, AZ.**

### *Economic Development Challenges*

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- Deflation and Downward Spiral of All Sectors of the Economy
- Unrealistic Expectations from Developers, Citizens and Local Media
- Lack of a Defined Downtown Core and City Center
- Lack of Available, Ready to Go, Shovel Ready Business Parks and Sites
- Lack of Well-Developed Transportation Access
- Economic Meltdown of Arizona's Real Estate Economy
- Potential for Prolonged Global Economic Recession





## **CITY OF MARICOPA, AZ.**

*Economic Development Strategy*

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- **CAPITALIZE ON EXISTING STRENGTHS: PROXIMITY TO GREATER PHOENIX AND TUCSON**
- **POSITION MARICOPA AGGRESSIVELY AS AN IMPORTANT NEW 21<sup>st</sup> CENTURY AMERICAN CITY**
- **CREATE THE COMMUNITY ENVIRONMENT THAT FOSTERS THE ATTRACTION OF KNOWLEDGE WORKERS AND JOBS**
- **CAPTURE/CAUSE DESIRABLE NEW PROJECTS AND PROSPECTS GROWING AND LOCATING IN GREATER PHOENIX**
- **FOCUS ON OPTIMAL ECONOMIC DEVELOPMENT PILLARS FOR MARICOPA**





## CITY OF MARICOPA, AZ.

*Economic Development Opportunities*

### 1. HEALTH AND WELLNESS

- Across the globe and all disciplines of science and sectors of the economy, a massive convergence of technology is taking place in addressing and solving problems in human health. These developments will dramatically transform health care as we know it. In addition to an acute care hospital, other uses need to be strongly encouraged.







## CITY OF MARICOPA, AZ.

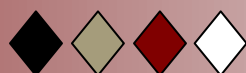
*Economic Development Opportunities*

### 2. CLEAN AND GREEN: TECHNOLOGIES AND JOBS

- Sustainability is a business and societal imperative for the 21<sup>st</sup> century. Every community is clamoring to create a clean and green image. Putting the image into reality is key.







## CITY OF MARICOPA, AZ.

### *Economic Development Strategy*

#### The Competitive Landscape for the City of Maricopa and the State of Arizona

Business Energy Tax Credit	\$40 million (50% of capital investment)
Land	\$500,000 discount (city-owned land)
Road Improvement	\$1.4 million
Infrastructure fee waiver	\$180,000
Work Training - MVCG	\$25,000 (from Lottery Fund)
Workforce Training - Community Colleges	\$285,400 (\$1,427 per employee)
County grant for equipment	\$300,000 (from Lottery Fund)
Five-year property-tax exemption	N/A

Total Incentives From Oregon:  
(with \$40 million tax credit) \$56,090,400





## CITY OF MARICOPA, AZ.

*Economic Development Opportunities*

### 3. REGIONAL AVIATION

- As the demand for air travel and air cargo continues to grow in the years ahead, in a growing number of metropolitan areas, strategies are being developed to utilize existing secondary airports or even to construct entirely new airports on green field sites. Regional aviation therefore has become a significant growth factor in the national aviation and economic development arenas.







## CITY OF MARICOPA, AZ.

*Economic Development Opportunities*

### 4. HIGHER EDUCATION

- Today, more than ever, higher education resources and attainment level are considered as two of the most critical indicators of economic success and progress within almost every sector of society and culture. Global competitiveness, whether on a local, regional or national level, is directly dependent upon both of these factors.







## CITY OF MARICOPA, AZ.

*Economic Development Opportunities*

### 5. BUSINESS AND PROFESSIONAL SERVICES

- Maricopa is uniquely able to be “first to market” and establish itself as the professional and business services hub of Western Pinal County.
  - Office condos; office parks;
  - Serviced offices (executive suites and alternative workplace solutions) to accommodate new market entry of existing firms and new business start-ups.







## CITY OF MARICOPA, AZ.

*Economic Development Opportunities*

### 6. HOSPITALITY AND VISITOR ATTRACTIONS

- Tourism visitors to Arizona in 2007: \$35 million, with \$19.3 billion in direct travel spending.
- Top tourist originating state after Arizona was California.
- Top activities in 2007 for out of state visitors were: dining (33%) and sightseeing (25%), representing a shift from prior years.
- Average household income for non-resident visitors in 2007 was \$86,000.







## CITY OF MARICOPA, AZ.

*Economic Development Opportunities*

### 7. RETAIL AND ENTERTAINMENT

- Retail sales taxes are a vital source of municipal revenue in the State of Arizona and critically important to Maricopa and all municipalities.
- Bountiful retail and entertainment offerings rank in the top three of Maricopa resident survey responses related to leisure activities.







## CITY OF MARICOPA, AZ.

*Economic Development Opportunities*

### 7. RETAIL AND ENTERTAINMENT, *(continued)*

- Pacana Park and planned new park facilities that will result from the recent Bond approval are vital recreational venues in Maricopa; we also need to focus on recruiting and landing other family and children-friendly entertainment venues.







## **CITY OF MARICOPA, AZ.**

*Economic Development Strategy*

### **HIGHLIGHTS OF ACCOMPLISHMENTS 2008 - ATTRACTING BIZ**

- Strengthening relationships with allies that will help generate qualified leads, including ADOC, GPEC, regional and national commercial brokers and developers, and Maricopa landowners, developers and brokers;
- In 2007, Generated and/or Responded to:
  - 56 internally-generated and qualified prospects;
  - responded to 20 prospect information from requests from regional partners;
  - Hosted/Toured five prospective new employers;
- Developed and executed aggressive outreach to Arizona companies, and regional, state and national media including USA Today, CBS This Morning.





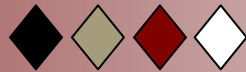
## **CITY OF MARICOPA, AZ.**

*Economic Development Strategy*

### **HIGHLIGHTS OF ACCOMPLISHMENTS 2008 - CLEAN AND GREEN**

- Developed case for doing business in Maricopa for two solar firms;
- Establishing strong relationships with ED3, Yulex, Pinal Energy, UofA Maricopa Agricultural Research Center, ASU Global Institute of Sustainability and other partners;
- Working with regional partners to attract solar leasing options for residential and commercial applications into the local market;
- Strengthening our unique partnership with Global Water, a huge community supporter and the first LEED-certified utility facility in Pinal County.





## **CITY OF MARICOPA, AZ.**

*Economic Development Strategy*

### **HIGHLIGHTS OF ACCOMPLISHMENTS 2008 - HIGHER ED**

- Working with Central Arizona College to ensure that there is active communication between the institution and Maricopa; we are designated for a new future campus that has funding as a result of the recently-approved bond;







## **CITY OF MARICOPA, AZ.**

*Economic Development Strategy*

### **HIGHLIGHTS OF ACCOMPLISHMENTS 2008 - HOSPITALITY**

- Worked with five hotel prospects that are seriously evaluating the establishment of hotel facilities in Maricopa;
- Continued dialogue with developers of a planned major sports-related tourism attraction that will incorporate clean-green design;
- Worked and attracted major retail/destination developer into the City.





### HIGHLIGHTS OF ACCOMPLISHMENTS 2008 - RETAIL

- Working with Shea Properties, successfully landed Wal-Mart, which broke ground on its Maricopa SuperStore projected to open in Q1 2009;
- Developed and executed strategy to increase Maricopa's standing and identity among major national retail chains and developers through participation in the International Council of Shopping Centers (ICSC) Annual Meetings:
  - Met with three retail chains;
  - Met with eight national retail developers;
  - Met with four brokerage firms working in Maricopa;
  - Continue follow up and regular marketing mailings.





**CITY OF MARICOPA, AZ.**  
*Economic Development Strategy*

**THINK  
BIG**

*"Believe Big. The size of your success is determined by the size of your belief. Think little goals and expect little achievements. Think big goals and win big success".*

*David Joseph Schwartz*





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Strategy   Solutions   Success







# **Current Economic Development Initiatives**





## Areas of Focus.

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- Marketing / business attraction
- Business retention / expansion
- Incentive and toolkit development
- Acting as an information clearing-house
- Relationship-building
- Business advocacy
- Technical assistance





## Major Priorities, 2009/2010.

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- Continue to generate qualified prospects and deliver superior service
- Continue to assist local and national developers with their evaluation of Maricopa for investment
- Priority focus on medical facilities to ensure that Maricopa remains a priority community for future planning
- Facilitate the development of a business and industrial park
- Continue to work with colleges and universities to create a higher education center in Maricopa





## Priorities, continued.

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- Continue to assist existing and prospective small businesses
- Expand retention and expansion visit program
- Expand External Marketing of Maricopa
  - Continue to host events
  - Participate in appropriate national sales opportunities, including ICSC and BIO
  - Ad placement, direct marketing





## Priorities, continued.

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- Aggressively develop and expand economic development incentives toolkit
- Continue to develop and deliver the most current socio-economic and other data to prospects, developers and businesses
- Continue to improve and expand the use of cutting-edge technologies to ensure a high standard of service and turnaround times





## Toolkit.

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- Fast Track Permitting Program
- One Stop Shop Service Center
- Industrial Development Authority
- Enterprise Zone
- Branding and Marketing Launch
- Maricopa Prospector.com website\*
- Downtown Redevelopment District\*
- Data Resources: Labor Study Data and Retail Research/Customer Analytics through Buxton\*





# Why online site selection?

	<b>5-6 Years Ago</b>	<b>Now</b>
<b>Length of typical site selection search</b>	Six months or more	Four to eight weeks
<b>Scope of initial screening</b>	One or two dozen communities	Hundreds of communities
<b>% of site selection process: remotely versus in-person</b>	40% remote vs. 60% in-person	80% remote vs. 20% in-person
<b>#1 tool for learning about communities</b>	Personal visit	Website/ Internet


Source: "The Internet Has Changed the Dynamics of Site Selection" by Bob Ady, May 2006



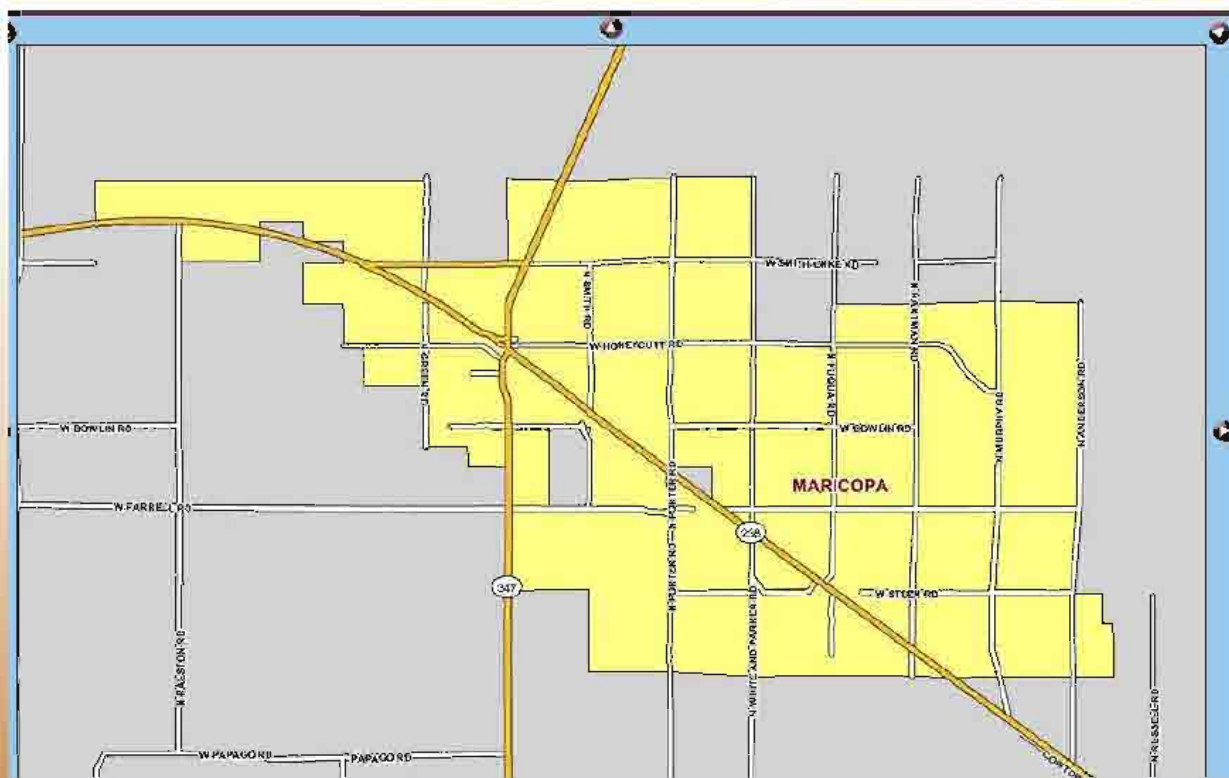






CITY OF  
**MARICOPA**  
PROUD HISTORY • PROSPEROUS FUTURE

<a href="#">Sites &amp; Buildings</a>	<a href="#">Home Page</a>	<a href="#">Add Properties</a>	<a href="#">Help &amp; Instructions</a>
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**Search by Property Type and Size**

Type

All Property Types  
Office Building  
Industrial Building  
Retail Building  
Warehouse Building  
Land

Minimum Size:

100

Maximum Size 10

19

Units:  

S

☐ properties for lease☒ properties for sale

### Search Properties

## Search by Parcel

Parcel Number

Search by Parcel

**Search by Address**

Address:


Search by Address

DIRECTIONS.

To search for an available site or vacant building:

1. Select the type of property you want.
2. Type in a number for the minimum or maximum size property you want.
3. Select if you want the search to be in Square Feet (for





ARIZONA

# CITY OF MARICOPA

PROUD HISTORY • PROSPEROUS FUTURE

[Sites & Buildings](#) | [Home Page](#) | [Add Properties](#) | [Help & Instructions](#)




[Printable](#) | [Email](#) | [Acrobat](#) | [Word](#) | [Excel](#)

 [New Search](#)

**Selected Properties**

20 properties were found  
1-20

1.	<input type="checkbox"/>		<a href="#">D.W.MEADOW/SEW/SD</a>
2.	<input type="checkbox"/>		<a href="#">13860 N John Wayne</a>
3.	<input type="checkbox"/>		<a href="#">13890 Driober Road</a>
4.	<input type="checkbox"/>		<a href="#">40050 W COWPATH RD</a>
5.	<input type="checkbox"/>		<a href="#">40526 W Seven Ranch Road</a>
6.	<input type="checkbox"/>		<a href="#">40361 W CAMINO DE JANCOS</a>
7.	<input type="checkbox"/>		<a href="#">53+ acres at I8 / Hwy 84</a>
8.	<input type="checkbox"/>		<a href="#">Edwards Rd/Mcma</a>
9.	<input type="checkbox"/>		<a href="#">John Wayne/BOWLIN</a>
10.	<input type="checkbox"/>		<a href="#">John Wayne/RAND</a>
11.	<input type="checkbox"/>		<a href="#">John Wayne2.8</a>
12.	<input type="checkbox"/>		<a href="#">John Wayne/HONEYGLTT</a>
13.	<input type="checkbox"/>		<a href="#">Maricopa Station</a>
14.	<input type="checkbox"/>		<a href="#">N GREEN RD</a>
15.	<input type="checkbox"/>		<a href="#">N PALAR RD</a>
16.	<input type="checkbox"/>		<a href="#">NWC Bowlin &amp; Deer Trl</a>





Login:

Password:

Access to adding sites and buildings is provided by staff and is secure through a login and password system. If you have a login and password, please enter both in the text boxes on this page.

New to Maricopa Prospector? If you would like to add your properties or sites to this system but do not have a login and password please [click here](#) to request access.



ARIZONA



# CITY OF MARICOPA

PROUD HISTORY • PROSPEROUS FUTURE

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Welcome Test

[Update my Information](#) [Add New Property](#) [Contact Staff](#) [Help and Instructions](#)





## Redevelopment District.

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- Area designated by the Mayor & Council as being in need of revitalization
- Includes a Redevelopment Plan laying out guidelines for the area's future growth
- Guidelines are outlined in ARS 36-1479
- Benefits include improved quality of life, and enhanced grant opportunities and ability to offer incentives to future employers



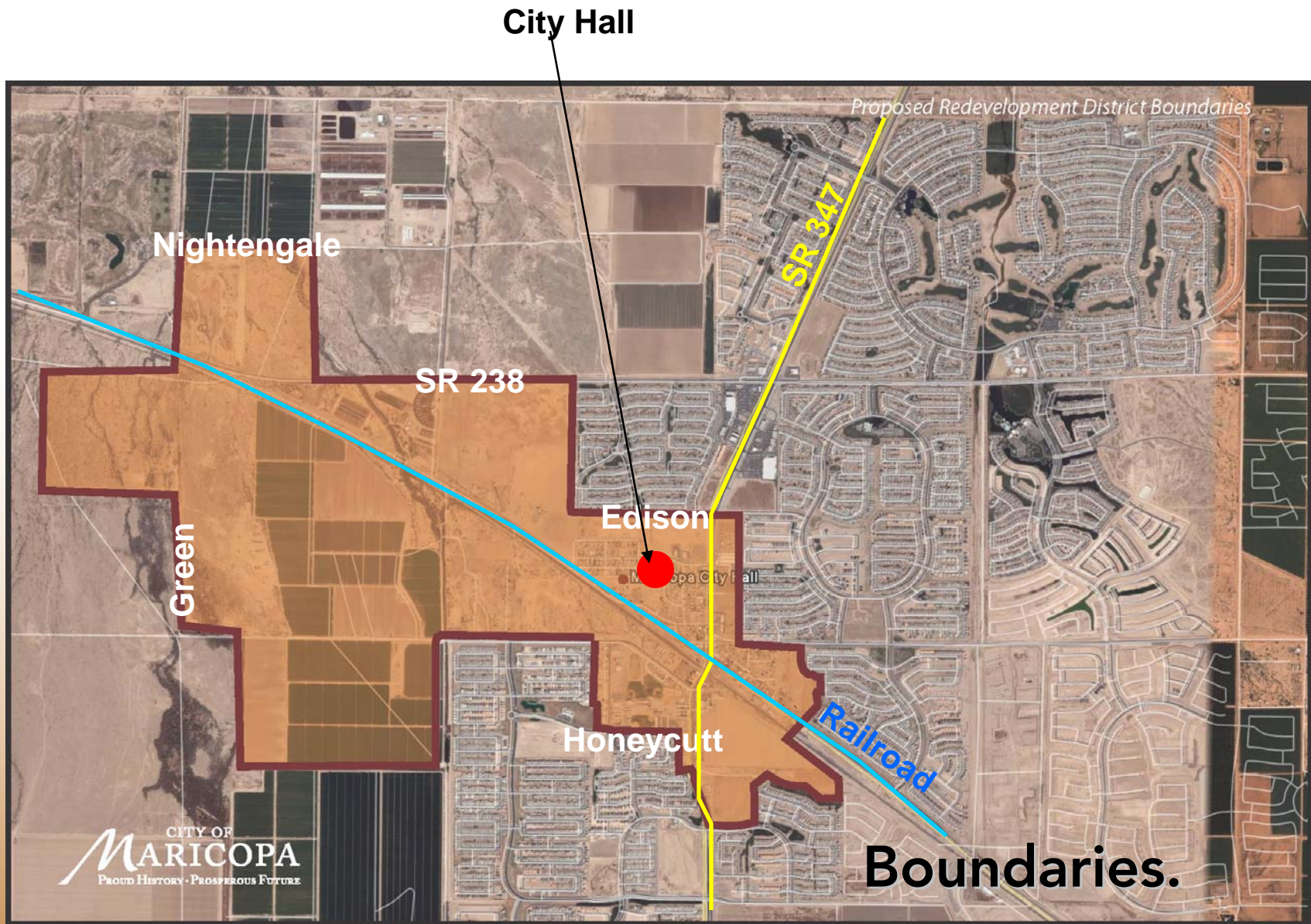


## Project Team.

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- Morrison Maierle, Inc. (MMI) is a large, full service, engineering, planning, urban design and environmental analysis consulting firm with offices throughout the western United States and has been in operation since 1945
- Details on project leaders can be found online at [www.maricopamatters.com](http://www.maricopamatters.com)









# Plan Process.

- Project completion will take an estimated 22 weeks (April / May)
- In addition to general publicity and public notification, project information will be updated regularly at [www.MaricopaMatters.com](http://www.MaricopaMatters.com)







# Customer Analytics Report.

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- Retail critical to growing local economic, employment, and service base
- Maximize local retail and restaurant potential
- Data will be the most up-to-date and consistent, providing a convincing argument for location in the area
- **Psychographic profile** of customers in each drive time trade area, retail leakage / surplus analysis based on accurate population counts





# Psychographic Analysis.

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- Psychographics focus on analyzing **purchasing behavior** rather than demographics
- Matches the specific retail and restaurant concepts to the buying habits and lifestyles of the market
- Buxton owns over **30 terabytes** of related data on over 120 million households that is updated every 90 days and held in 250 in-house databases





# Who Can Benefit from Data?

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- **Residents:** local access to appropriate goods and services
- **Small Business Owners:** can locate near quality retail anchors and have access to better planning data
- **Developers:** will attract the right tenants and fill their spaces
- **Local Economy:** Increase in jobs and sales tax revenue





## Who is Buxton Co.

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- Marketing research firm since 1994 focusing on the retail industry
- Has worked with over **350 communities and over 1,700 retailers** across the nation
- In 2006, Retail Traffic magazine recognized them as one of three figures *“influencing the future of retail real estate”*





## Past Successes.

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- **Perris, CA:** Added 3 million sq ft of retail projects
- **Mill Creek, WA:** Landed concepts including University Bookstore, Jamba Juice and Cold Stone Creamery
- **McKinney, TX:** fastest growing City in the US in 2000, added over \$1 million in public revenue annually
- **Safford, AZ:** Selected as a location for a Sears Outlet





## Sharing of Resources.

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- Copies of presentations and retail site assessment data available
- Custom site leakage analysis can be run for you by the City upon request at no cost
- Top retail matches for community will be contacted by the City and referred to or shared with all property owners and developers meeting site criteria needs





CommunityID

# CITY OF MARICOPA

PROUD HISTORY • PROSPEROUS FUTURE

December 2008

**Buxton**  
Sustaining Customers



# Retail is in Our DNA

- The industry leader in customer analytics and site selection to the retail industry
- Buxton management represents over 500 cumulative years in the retail industry
- Partnered with over 1,700 clients including 400 community clients
- Our communities have recruited more than 20 million sq. feet of retail
- We speak daily with senior retail real estate executives

***We Speak Retail!***



# City's Goals

## City of Maricopa's Purpose

To validate retail potential in today's environment and create a strategic action plan for specific retailers for both infill and development opportunities.

## Application

Apply targeted resources on recruiting retailers that match the trade area's consumers





**CommunityID**

- A Proven Retail Development Strategy
- Uncovers Retail and Restaurant Opportunities
- Matches Specific Retailers to Maricopa
- Links Planning to Implementation
- Online application for Direct Selling





# Executive Summary

The following sites were submitted to Buxton for preliminary analysis:

- Porter Rd & Maricopa Case Grande Hwy
- Edison Rd & State Route 347
- 15406 Maricopa Rd

Edison Road & State Route 347 was selected for complete analysis and retail matching.







**CommunityID**

## **Preparing the Retail Presentation**

**Step 1. Defining Trade Area**

**Step 2. Identifying and Profiling Customers**

**Step 3. Understanding Retail Potential**

**Step 4. Matching Customers to Retailers**

**Step 5. Creating Customized Marketing Packages**

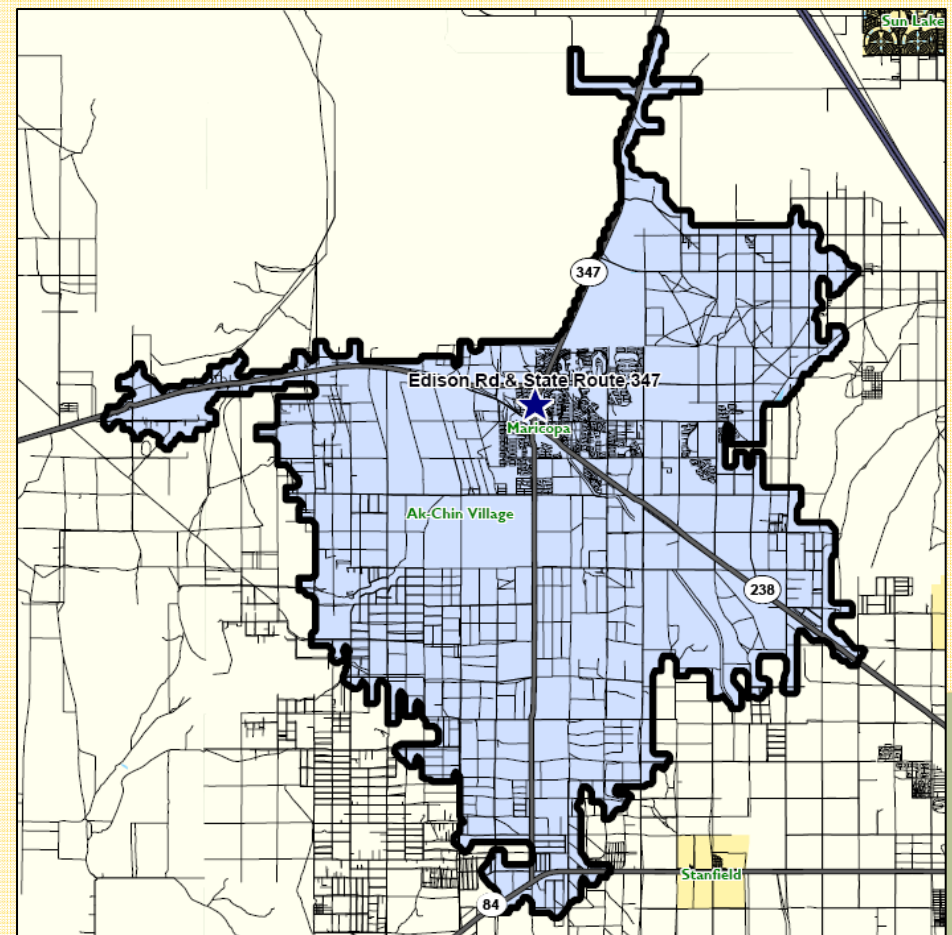


# Step 1. Defining Trade Area

Edison Rd & State Route 347 as the anchor point for the primary trade area

Factors considered when selecting the drive time include:

- Region
- Existing retail in surrounding areas
- Density of the community





## Step 2. Identifying and Profiling Customers

### For retailers: It's Customers, Not People



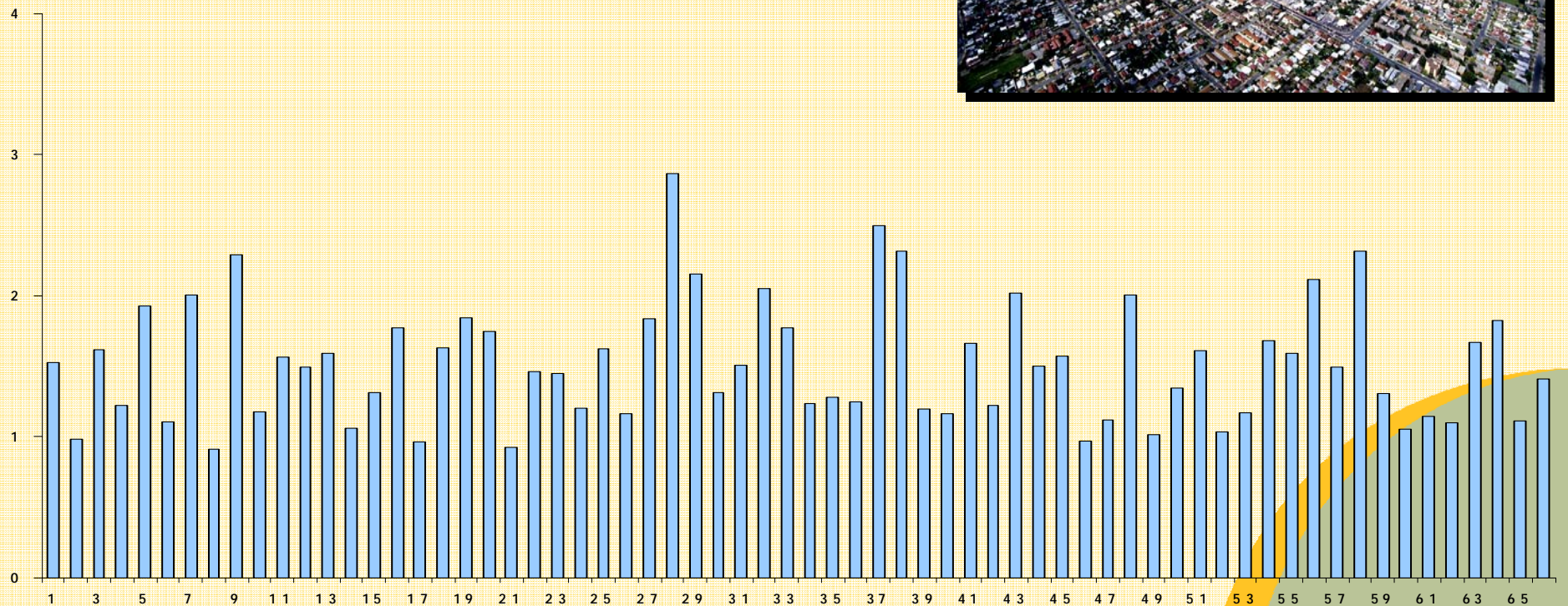
Customers are identified based on psychographic characteristics which include:

- Lifestyles
- Purchase Behavior
- Media Habits



# Segmentation

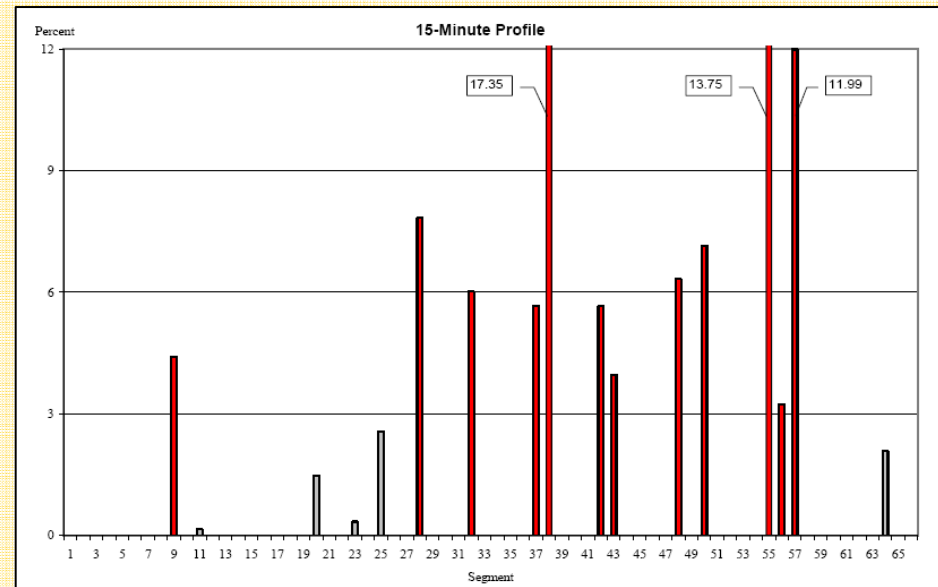
All U.S. households fall into 1 of 66 psychographic segments





## Step 2. Identifying and Profiling Customers... ...within the trade area

Trade Area Segmentation –  
Psychographic profile of  
customers within the trade  
area



Dominant Segments	Description	Households	% of All Households
9	Big Fish, Small Pond	639	4.41
28	Traditional Times	1135	7.83
32	New Homesteaders	872	6.02
37	Mayberry-ville	821	5.67
38	Simple Pleasures	2512	17.35
42	Red, White & Blues	820	5.66
43	Heartlanders	575	3.97
48	Young & Rustic	916	6.33
50	Kid Country, USA	1035	7.15
55	Golden Ponds	1991	13.75
56	Crossroads Villagers	469	3.24
57	Old Milltowns	1736	11.99

**Dominant Segments –  
Psychographic segments  
that make up at least 3%  
of the trade area**



# Lifestyles

Psychographics focus on  
Customer Lifestyles



## Segment 9 Big Fish, Small Pond

Upscale, empty-nesting couples

College-educated professionals

Leading citizens of their small-town community

Maintain large investment portfolios

Spend freely on computer technology





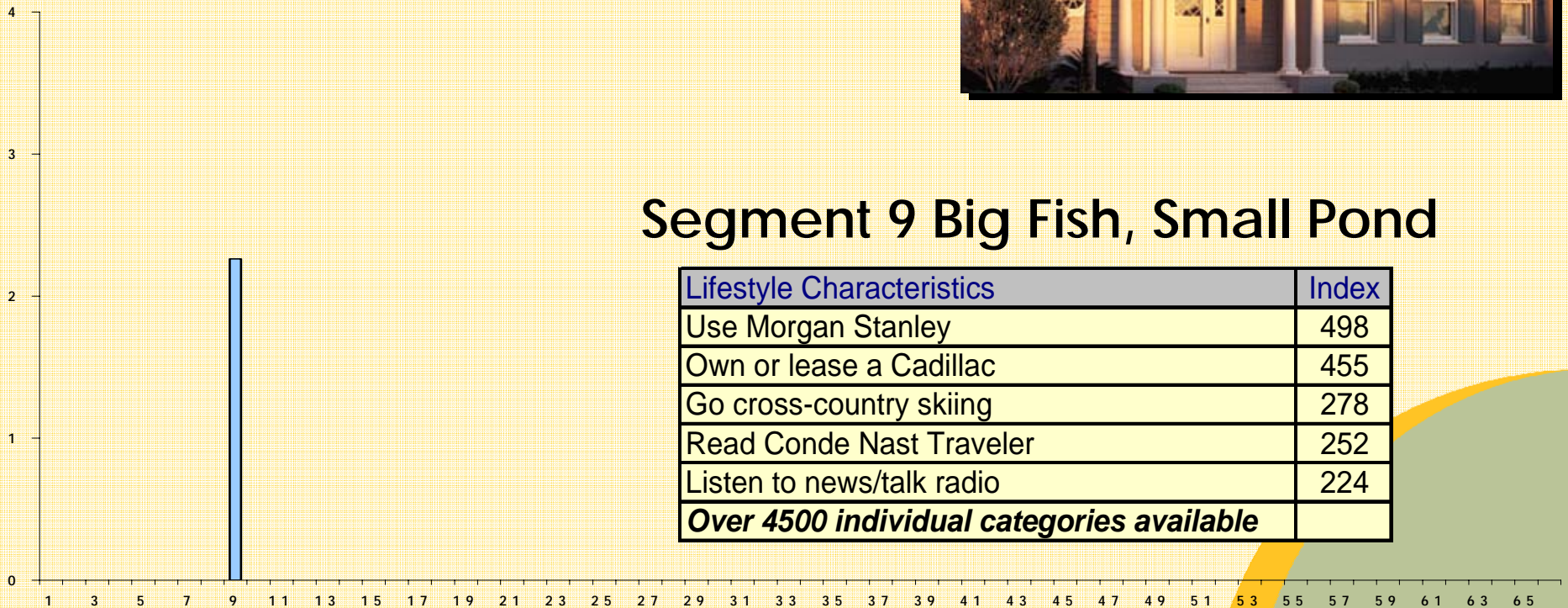
# Purchase Behaviors

Psychographics focus on  
Customer Lifestyles  
Purchasing Behavior



## Segment 9 Big Fish, Small Pond

Lifestyle Characteristics	Index
Use Morgan Stanley	498
Own or lease a Cadillac	455
Go cross-country skiing	278
Read Conde Nast Traveler	252
Listen to news/talk radio	224
<b>Over 4500 individual categories available</b>	





# Segment Example

Psychographics focus on  
Customer Lifestyles



## Segment 32 New Homesteaders

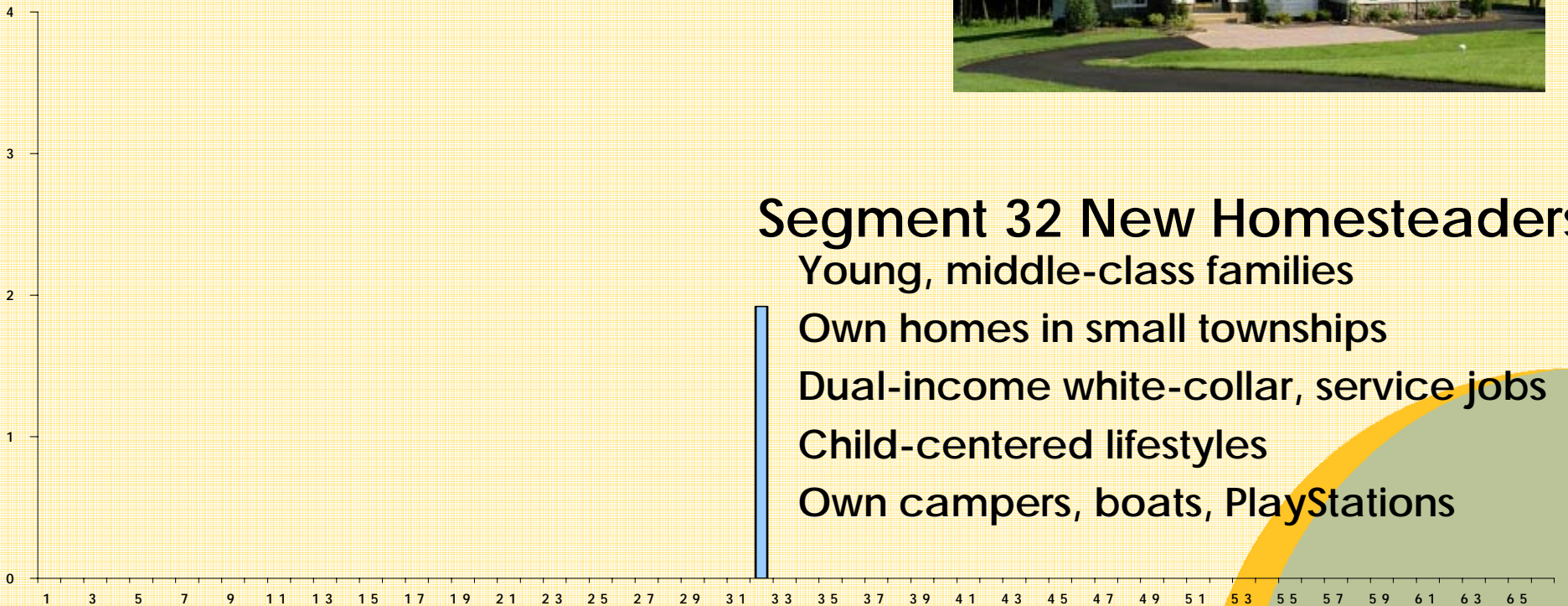
Young, middle-class families

Own homes in small townships

Dual-income white-collar, service jobs

Child-centered lifestyles

Own campers, boats, PlayStations





# Purchase Behaviors

Psychographics focus on  
Customer Lifestyles  
Purchasing Behavior



## Segment 32 New Homesteaders

Lifestyle Characteristics	Index
Own a Chevrolet/GMC	350
Purchase children's bicycles	258
Eat at a fast food restaurant chosen by child	213
Shop at Old Navy	165
Listen to Country Radio	164
<b>Over 4500 individual categories available</b>	



## Step 3. Understanding Retail Potential

### Retail Leakage/Surplus Analysis

- How many dollars are leaving
- What stores attract outside dollars
- How strong is our retail sector
- What are our retail opportunities
- What are the opportunities for local retailers



Example of Major Store Type. Buxton analysis details:

- 74 Store Types
- 36 Product Types



## Step 3. Understanding Retail Potential (cont.)

### Retail Leakage/Surplus Analysis

- Sporting Goods, Hobby, Book and Music Stores
  - \$2.2 million in potential; less than \$50,000 in sales

Leakage/Surplus	Sporting Goods, Hobby, Book and Music Stores	Potential	Music Stores
Sporting Goods, Hobby, Book and Music Stores	Sporting Goods Stores	750,655	
	Hobby, Toys and Games Stores	526,626	
	Sew/Needlework/Piece Goods Stores	145,578	
	Musical Instrument and Supplies Stores	171,219	
	Sporting Goods, Hobby, & Musical Instrument Stores	1,594,079	
	Book Stores	381,781	
	News Dealers and Newsstands	24,377	
	Book Stores and News Dealers	406,159	
	Prerecorded Tape, Compact Disc, and Record Stores	279,432	
	Book, Periodical, & Music Stores	685,591	
Sp	Sporting Goods, Hobby, Book, & Music Stores	2,279,671	



## Step 4. Matching Customers to Retailers

The community's profile was matched to the profiles of over 4,500 retailers and restaurants...

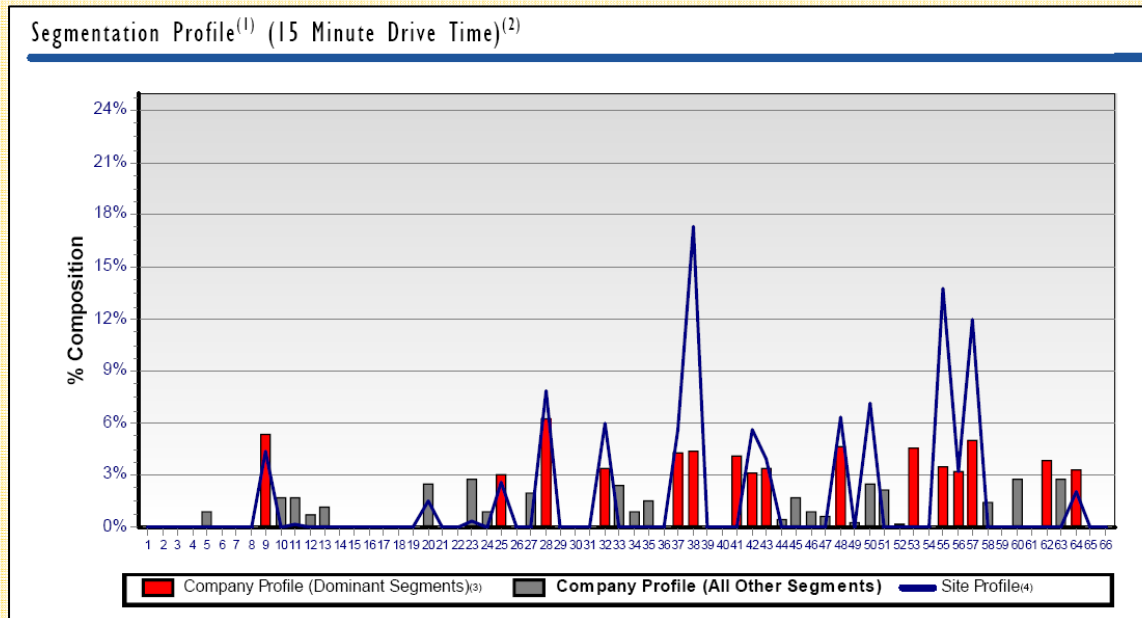
Retailer Classification	Preferred GLA
Amusement/play centers, bowling centers	3,000-40,000 sq. ft.
Apparel - Children's, apparel - men's, apparel - women's	20,000-35,000 sq. ft.
Art supplies/crafts/hobbies, art/collectibles/frames	18,200 sq. ft.
Bakeries/bagels/pretzels	1,500-4,500 sq. ft.
Book stores, cds/music, dvd rental/sales	25,000 sq. ft.
Close-out stores	8,000-45,000 sq. ft.
Computers/software, electronics, major appliances	20,000-45,000 sq. ft.
Dollar/variety stores	10,000-15,000 sq. ft.
Hardware/home improvement	102,000-115,000 sq. ft.
Movie theaters	10,000-100,000 sq. ft.
Office supplies/furniture	20,000 sq. ft.
Restaurants/bars	5,000-7,000 sq. ft.
Shoes	6,000-8,000 sq. ft.
Sporting goods/athletic wear	1,800-10,000 sq. ft.



# Positive Retail Matches

Two components make a successful retail match:

## 1. Segmentation Profile Match



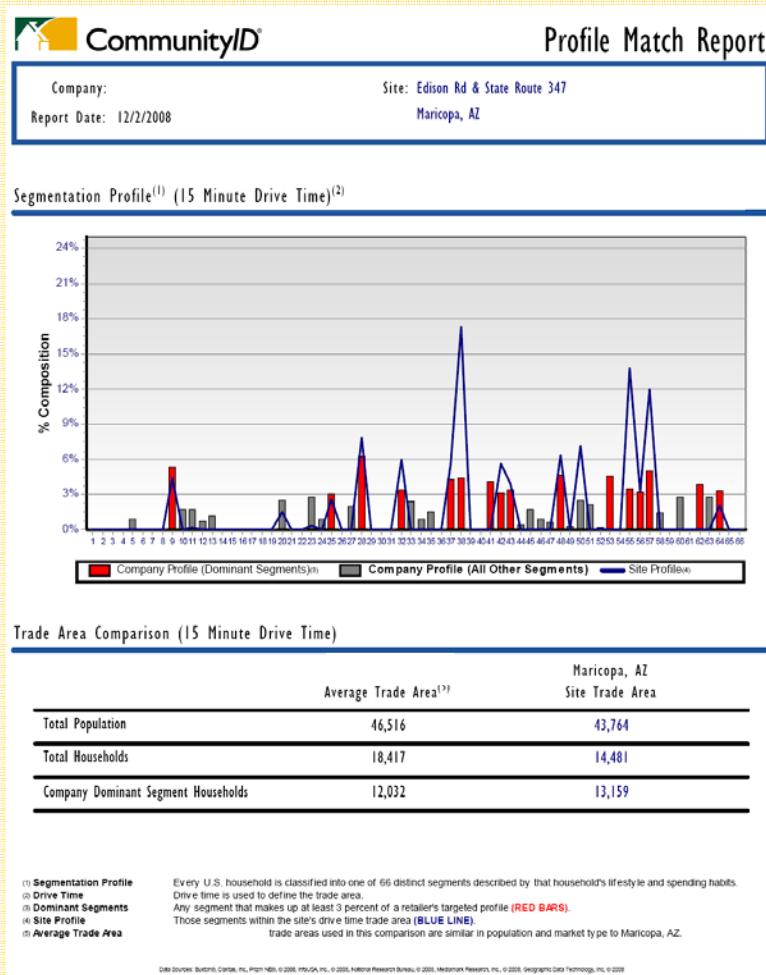
## 2. Trade Area Comparison Match

Trade Area Comparison (15 Minute Drive Time)

	Average Trade Area <sup>(3)</sup>	Maricopa, AZ Site Trade Area
Total Population	46,516	43,764
Total Households	18,417	14,481
Company Dominant Segment Households	12,032	13,159

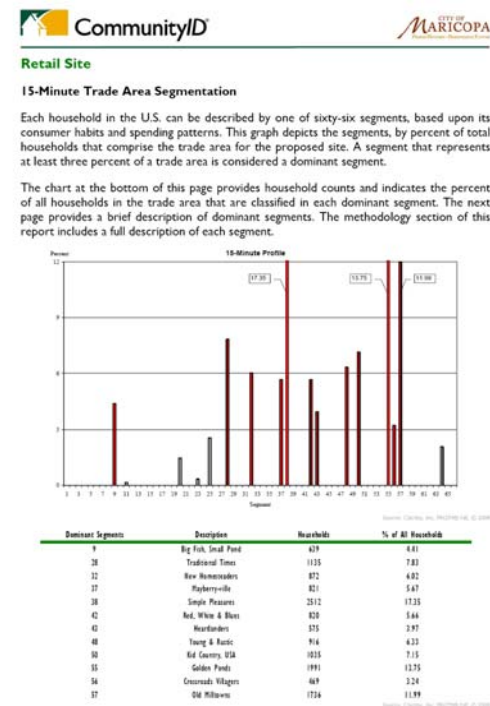


# Step 5. Creating Custom Marketing Packages



## Profile Match Reports

## Supporting Maps



## Site Description

Marketing Packages can also be created for developers, brokers, and franchisees.



# *The Retail Location Decision*



# Retail Location Decision

An average of ten sites are screened for every one selected:

- **36% are approved in the field**
- **59% are approved by real estate committee**



# Retail Location Decision

Key decision makers on the real estate committee:

- VP Real Estate – 67%
- CEO – 58%
- CFO – 47%
- VP Store Operations – 37%
- COO – 27%



*Proactive Selling:  
A Winning Retail  
Strategy*



# Marketing in the Location Decision Cycle

## Retail Cycle

## Marketing role

Interested → Promotion

Seriously interested → Presentations

Decision → Selling

Speed to market → Follow up





# Retail Marketing Best Practices

## Buxton Survey of 10 High-Performing Cities:

1. Direct selling to retailer/developer
2. Direct selling to commercial real estate firms
3. Attending regional ICSC meetings
4. Websites
5. Attending ICSC – Las Vegas





# Retail Marketing Best Practices

Poorest performing marketing efforts:

1. Direct mail
2. Media advertising

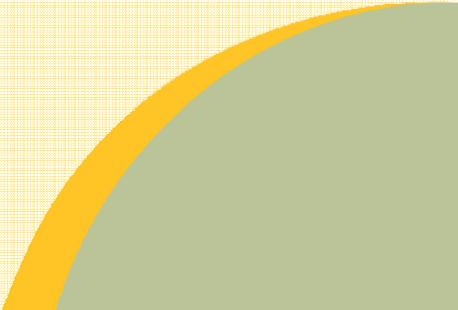




# Executing Your Community/*ID* Strategy



## Market your retail advantages:

- Retail potential (leakage/surplus report)
  - Retailer's customers in your trade area (retail match report)
  - Inventory Retail Sites (sizes, ownership)
  - Traffic Patterns
  - Current and Future Growth
  - Retail Co-Tenancies and Adjacencies
- 

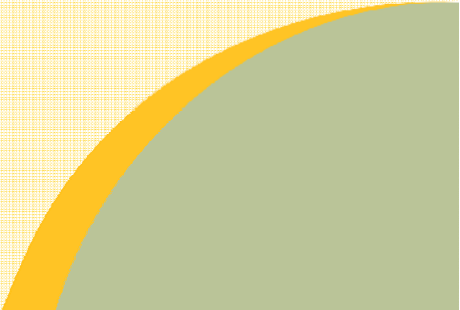




# Executing Your Community/*ID* Strategy

There is no single marketplace

**Aggressively market to:**

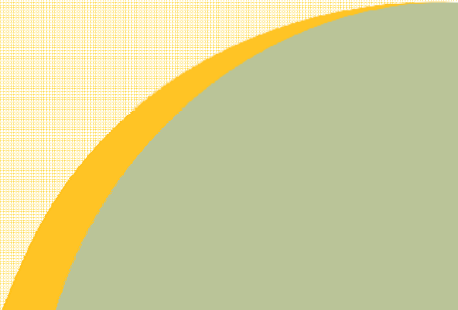
- Targeted retailers
  - Retail developers
  - Commercial real estate firms
  - International Council of Shopping Centers  
(Las Vegas and regional events)
- 





# Executing Your Community *ID* Strategy



- Creating a retail friendly climate
  - Assembling and preparing sites
  - Providing off-site infrastructure
  - Streamlining permitting and zoning
  - Providing targeted incentives
  - Offering opportunities for local retailers
- 





**Buxton®**  
*Identifying Customers®*

